

BUDGET SUMMARY- REDEVELOPMENT AGENCY

RDA EXPENDITURE SUMMARY

The Redevelopment Agency budget for fiscal year 2007 totals \$19.2 million, a net increase of \$9.8 million over the fiscal year 2007 spending plan. This increase is primarily related to the anticipated payments related to the Gateway Project on Third Avenue and are reflected as a loan repayment from the Merged Project Area (\$4.3) to the Bayfront/TC I project area and subsequently as a payment to Gateway (\$4.3). Included in the fiscal year 2007 proposed budget is \$4.2 million for operating expenditures including \$312,539 for the Executive Director of the Chula Vista Redevelopment Corporation and the monthly stipends, \$3.8 million for debt service on the Agency Tax Allocation Bonds and \$2.3 million for pass through payments to other taxing jurisdictions.

RDA REVENUE SUMMARY

The Redevelopment Agency's budgeted revenues for fiscal year 2007 is \$15.8 million, which is an increase of \$5.3 million over the fiscal year 2007 spending plan. The increase is due to the appropriation of the loan repayment from the Merged Project Area to the Bayfront/TC I related to the Gateway Project (\$4.3 million). The proposed budget includes \$10.7 million of tax increment revenues, which is an increase of \$1.7 from the spending plan.

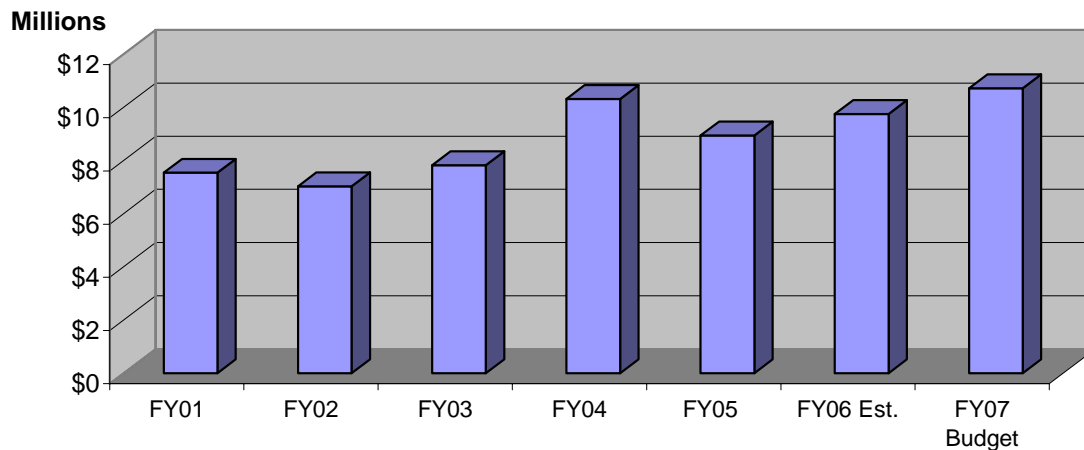
Redevelopment Agency Summary

	Spending Plan 2007		Adopted 2007		Change	
	Expenditures	Revenues	Expenditures	Revenues	Expenditures	Revenues
Bayfront/TC I	\$ 2,094,704	\$ 1,926,330	\$ 6,150,917	\$ 6,228,597	\$ 4,056,213	\$4,302,267
Merged Project Area	\$ 2,317,558	\$ 1,948,974	\$ 8,228,783	\$ 2,702,867	\$ 5,911,225	\$ 753,893
Southwest Agreements	\$ 953,348	\$ 891,306	\$ 1,018,347	\$ 1,018,347	\$ 64,999	\$ 127,041
Debt Service	\$ 4,081,975	\$ 3,973,725	\$ 3,829,593	\$ 3,846,046	\$ (252,382)	\$ (127,679)
Low & Mod Pass Throughs	\$ -	\$ 1,779,728	\$ -	\$ 1,971,062	\$ -	\$ 191,334
Total	\$ 9,447,585	\$10,520,063	\$19,227,640	\$15,766,919	\$ 9,780,055	\$5,246,856

Note: The Low and Mod Fund operating budget is not included in table above.

The Agency receives tax increment revenues resulting from increases in the assessed valuation within the redevelopment project areas over the base year assessed valuation.

Tax Increment Revenue



Note 1: Tax Increment Revenue are reflected prior to pass throughs to other agencies.

Note 2: Fiscal year 2004 tax increment contained a one-time adjustment of Unitary Tax revenue of \$1.3 million related to the South Bay power plant.

Redevelopment Agency Project Areas Projected Available Balance

2007			
RESOURCES:	Merged Project Area	Bayfront/TC I	Total
Beginning Available Fund Balance	6,460,477	(973,990)	5,486,487
Tax Increment (Note 1)	2,498,616	1,606,774	4,105,390
Other Income	204,251	4,621,823	4,826,074
Total Resources	\$ 9,163,344	\$ 5,254,607	14,417,951
LESS OTHER EXPENDITURES:			
Operating Expenditures (Note 2)	3,234,845	797,722	4,032,567
AB1290 Pass Through Payments	462,188	830,213	1,292,401
Loan Repayment/Gateway	4,531,750	4,522,983	9,054,733
Total Other Expenditures	\$ 8,228,783	\$ 6,150,918	14,379,701
Net Remaining Resources	\$ 934,561	\$ (896,311)	\$ 38,250

Note 1: Tax increment is net of Southwest pass-throughs and debt service.

Note 2: Includes funds related to the 2000 TABS designated for projects

CHULA VISTA REDEVELOPMENT CORPORATION (CVRC)

For the past three years, the City has been engaged in a comprehensive study to examine and understand the benefits and requirements of creating a 501c3 nonprofit public benefit Chula Vista Redevelopment Corporation ("CVRC"). Two workshops were held on the concept and formation of a CVRC that included participants from the public and the City. The culmination of these workshops and discussions led to the preparation of a comprehensive report by Community Development that was publicly distributed and presented to the Council on July 20, 2004.

On November 23, 2004, the Council authorized the formation of the CVRC and directed staff to prepare the necessary legal documents to formally and operationally incorporate and establish the CVRC. The CVRC is considered a "support entity" to the City and Redevelopment Agency for planning and redevelopment activities within designated geographic areas. As a "support entity," the Corporation is authorized to conduct certain delegable functions and responsibilities of the City and Redevelopment Agency that do not involve the non-delegable fiduciary and legislative policy-making responsibilities and authorities that are solely held by the City Council and Redevelopment Agency Board

As previously stated, included in the Redevelopment Agency fiscal year 2007 proposed budget is \$312,539 for the Executive Director of the Redevelopment Agency/CVRC as well as the monthly stipends for the Board of Directors.

Once the Executive Director is hired, they will bring forth a proposed CVRC operating budget, which will likely require a loan from the General Fund via the Redevelopment Agency.